

**MAINE PUBLIC UTILITIES COMMISSION
PUBLIC WITNESS HEARINGS FACTSHEET
July 2019**

SCHEDULE OF HEARINGS:

Tuesday, July 16, 2019 - 6:00 pm University of Southern Maine, Hannaford Hall (in the Abromson Community Education Center) 88 Bedford Street, Portland

Thursday, July 18, 2019 - 6:00 pm University of Maine - Farmington, North Dining Halls, 111 South Street, Farmington

Monday, July 22, 2019 - 6:00 pm Public Utilities Commission, 101 Second Street, Hallowell

These hearings provide forums for public comment on two current proceedings at the MPUC:

Docket No. 2018-00194, the CMP rate case in which the MPUC will evaluate and set delivery rates

Docket No. 2019-00015, an investigation of the accuracy of CMP's billing and metering

Customers of CMP can also submit comments and evidentiary testimony online at [Maine.gov/mpuc](https://www.maine.gov/mpuc/announce/cmp-public-witness.shtml).
<https://www.maine.gov/mpuc/announce/cmp-public-witness.shtml>

Transcripts of these public witness hearings will be publicly available and may be accessed through the MPUC's case management system.

STATUS OF CMP RATE CASE (Docket No. 2018-00194) AND NEXT STEPS

- CMP has proposed a rate increase of 10.65% or \$46.5 million. CMP has also proposed to minimize the impacts to customers by limiting the increase to delivery rates to 2.21% through the use of accounting adjustments which will have the impact of increasing delivery rates in subsequent years.
- MPUC staff's analysis to date proposes that CMP's request be reduced by more than \$30 million. This includes a staff proposed \$4 million to \$6 million annual reduction of CMP's earnings due to CMP's poor customer service. Under staff's proposal, this reduction would be in effect for at least a year and would continue unless CMP meets certain customer service standards.
- The Office of the Public Advocate has proposed that CMP's request be reduced by approximately \$26 million as well.
- Final Hearings based on the parties filings in this case will be held July 24-26 at the MPUC in Hallowell. The public may attend any hearing or watch the live stream on the MPUC's website, however, testimony from the public will not be taken at such time. Transcripts of all hearings are also available.

- Brief's (final arguments by the parties) occur in August 2019.
- The Examiners Report (final recommendation by the MPUC staff) will be issued in September 2019.
- A final decision by the MPUC is expected in early October 2019.

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STATUS OF INVESTIGATION OF CMP BILLING AND METERING (Docket No. 2019-00015)

- MPUC launched an investigation in March 2018 of the accuracy of CMP bills following a high volume of complaints received by the Commission's Consumer Assistance staff.
- Over a three month period between November 1, 2017 (the date that CMP implemented its new billing system) and the end of January 2018, over 97,000 customers were impacted by a billing error. The system problems causing these errors were fixed by the end of April 2018 and affected customers received credits. Since February of 2018, approximately 1,000 customers have been impacted by billing errors, with the majority of these errors being fixed and affected customers receiving a credit.
- To date, the MPUC has resolved over 1,000 formal complaints and referred more than 3,000 complaints to CMP for further examination; of the customers CMP has been able to reach, approximately one half have been resolved to the customers' satisfaction.
- The MPUC hired Liberty Consulting to conduct an independent forensic audit of CMP's metering, billing and customer service practices. During the course of the audit, Liberty reviewed nearly every residential bill over a six month period in order to determine if the billing system was accurately recording and reporting usage. Liberty also did a random sample of CMP's meters to test for the accuracy of the meters.
- Based on its audit, Liberty concluded that for the most part, CMP's metering and billing system were producing accurate measurements of customers usage and producing accurate bills. Liberty did find that in certain unusual circumstances, a small number of CMP meters entered into "fast clock" mode and incorrectly recorded usage.
- Liberty stated the following about CMP's Billing System (called SmartCare) Implementation and CMP's Customer Service: "Significant gaps in SmartCare testing and training and in the transition to it produced in its initial phase of operation unnecessarily large numbers of errors requiring lengthy manual correction before bill issuance. A shortage of personnel contributed to the inability to eliminate

errors before go-live. Continuing shortages of experienced personnel after go-live unduly delayed fixes to the errors, caused significant customer difficulty in reaching CMP representatives and in getting answers to questions and concerns, and meant overly long delays in resolving billing problems.”

- Based on the Liberty Audit, the Commission launched a formal separate investigation of CMP’s metering and billing issues and decided to investigate CMP’s customer service issues in the Company’s rate case.
- The Office of the Public Advocate is conducting additional analysis in this case regarding CMP billing issues. That analysis is expected to be concluded in August 2019 and will be included as part of the evidence in this case.
- Findings and a final decision in the case are expected later in 2019.
- Should there ultimately be an MPUC finding that CMP failed to provide safe, reliable and adequate utility service as a result of our investigation, possible remedies available to the Commission would include refunds to affected customers, disallowing unreasonable costs and directing the utility to take specific actions to remedy service inadequacies.